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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Policies and Rules Implementing
the Telephone Disclosure and
Dispute Resolution Act

CC Docket No. 93-22
RM-7990

PETITION FOR LIMITED WAIVER

North State Telephone Company ("North State"), by its attorneys, pursuant to Section 1.3 of the Commission's Rules, hereby requests a limited waiver of certain of the Commission's pay-per-call service rules from November 1, 1993 until July 1, 1994. Specifically, North State seeks waiver of Sections 64.1509(b)(2), 64.1510(a)(2)(i) and (ii), and 64.1510(b) of the Rules to the extent that they are applicable to North State.

These rules implement provisions of the Telephone Disclosure and Dispute Resolution Act ("TDDRA") and require common carriers assigning telephone numbers to providers of interstate pay-per-call services and offering billing and collection services to such providers to (a) offer disclosure statements that set forth rights and obligations of customers and carriers with respect to pay-per-call services, and (b) implement information and format requirements for all bill statements containing pay-per-call charges.

North State is a local exchange carrier offering telephone service to customers in its service area within North Carolina. It is not directly in the business of billing for interstate pay-per-call service providers. It does, however, act as a billing agent,

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pursuant to billing and collection agreements, for interexchange carriers that, in turn, have billing and collection agreements with pay-per-call service providers. It is apparent that the Commission's Rules at issue in this petition apply only to common carriers assigning a telephone number to a provider of interstate pay-per-call services and offering billing and collection services to such providers. North State does not perform those functions. Therefore, the rules do not directly apply to North State. However, because of its billing and collection agreements with interexchange carriers, it is seeking this waiver out of an abundance of caution and based on the residual compliance obligations that the rules impose on billing carriers.

North State has billing and collection agreements for pay-per-call services with AT&T and U.S. Intelco Networks (USIN), a nationwide billing clearinghouse, through which it provides such services for several other interexchange carriers. AT&T filed a "Petition for Limited Interim Waiver on an Expedited Basis" of the same provisions in which it stated that the modifications for it to comply with the rules require massive changes to its internal billing systems that cannot be made by the effective date of the rules. Likewise, North State is faced with substantial technical burdens that cannot be successfully met by the effective date of the rules. It is, however, taking all steps necessary to comply with the Commission's requirements as expeditiously as possible.

Pursuant to rules and regulations established in North Carolina Utilities Commission Docket No. P-100, Sub 111, Order

Forbidding Cut-Off and Authorizing Blocking for Non-Payment of 900 and 900-Like Charges, adopted September 7, 1990, North State presently does not deny service for non-payment of pay-per-call type services, and further presently provides free blocking of 900 calling to customers challenging initial 900 charges and blocks 900 service without charge upon subsequent instances of non-payment. North State does not presently separate the pay-per-call charges from other service charges on a customer's bill for AT&T or other underlying interexchange carriers. The message flow from AT&T and USIN to North State does not provide adequate formatting to adaptively separate pay-per-call messages from other charges. The burden is on North State to substantially realign its billing and collection system in order that separation of these services can be recognized. The activities involved are substantial and the resources that North State can devote to performing them are limited. Although steps have already been undertaken to separate out pay-per-call charges, they cannot be completed for several months. Therefore, a limited waiver is necessary.

If the North State and AT&T petitions are not granted, North State would be required to cease billing for the interexchange carriers' pay-per-call services. As AT&T indicated in its petition, it would be required to either block customer access to all pay-per-call services or withhold billing temporarily for such services. Either option would cause unnecessary and potentially severe disruption to the pay-per-call industry, the billing carriers and consumers. It would also cause confusion and loss of

confidence on the part of consumers.

Grant of the requested delay in implementation of the billing requirements would not frustrate the underlying interests of the Commission's regulations implementing the TDDRA. A delay in implementation of the regulations at issue in this petition will not frustrate the goal of protecting customers. The actions deemed necessary by North State and the interexchange carriers if this petition is not granted would, however, have an adverse impact on the pay-per-call industry and its customers.

WHEREFORE, for the reasons stated above, North State Telephone Company requests that the Commission grant an interim waiver of Sections 64.1509(b)(2), 64.1510(a)(2)(i) and (ii), and 64.1510(b) of the Commission's Rules until July 1, 1994 to the extent those provisions apply to North State.

Respectfully submitted,

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October 27, 1993

CERTIFICATE OF SERVICE

I, Shannon Howell, hereby certify that a true copy of the foregoing "Petition for Limited Waiver" of North State Telephone Company in FCC Docket No. 93-22 was served this 27th day of October, 1993 by first-class mail, postage prepaid, upon the parties on the attached service list.



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